

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 7058**

**BILL NUMBER:** HB 1282

**NOTE PREPARED:** Dec 30, 2004

**BILL AMENDED:**

**SUBJECT:** Municipal Liens and Recording.

**FIRST AUTHOR:** Rep. Foley

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** This bill provides that when a condition exists on real property that violates a local ordinance and is cleaned up by the local unit, a lien attaches to the property for the cost of the cleanup, and the lien is recorded. It provides that a bill for cleanup related to a violation of a local ordinance is delinquent 30 days after the date of issuance of the bill. The bill also provides procedures for a municipal corporation to follow relating to the collection of fees and penalties, and recording and release of liens.

The bill provides that if a county recorder records a copy of a mortgage or an instrument, the copy has the same effect as if the original document had been recorded. The bill also provides that liens for taxes levied by a consolidated city are perfected when evidenced on the tax duplicate.

**Effective Date:** July 1, 2005.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** Under current statute, a municipal corporation may certify to the county auditor the amount of a bill that has not been paid within 30 days by an owner of real property who had not brought the property into compliance with an ordinance. The proposed legislation makes such a bill delinquent after 30 days of nonpayment and requires the municipal corporation to record either a copy of a list of such delinquent fees or an instrument for each piece of real property with the county recorder. Any increase in administrative expenses for the county recorder are expected to be minimal. The larger fee charged for

recording a list or instrument compared to the fee for certifying a document should help offset an increase in administrative burden.

**Explanation of Local Revenues:** According to current statute, the fee charged for certifying to a document is \$5, however, the fee for recording a list or instrument is between \$6 and \$15 for the first page and between \$2 and \$5 for subsequent pages, depending on the size of the paper. The fiscal impact of this proposed language is dependent on the number of delinquent bills that must be recorded.

**State Agencies Affected:**

**Local Agencies Affected:** County Recorders.

**Information Sources:**

**Fiscal Analyst:** Valerie Ruda, 317-232-9867.